we be called upon to exert military activity anywhere in the world, the backbone, the foundation of any naval presence in any such contingency is dependent on the professionalism, dedication and perseverance of shipyards in this Nation.

He also mentioned, of course, the Virginia Class submarines, the nuclear submarines. And having observed the maintenance facilities in Hawaii at Pearl Harbor Naval Shipyard, I can assure you and Mr. WITTMAN that those Virginia Class submarines will be welcomed there, and that the repair and maintenance will be handled by people at the height of their professional capacity.

The military's counsel there, the Pearl Harbor supervisors—some of whom I believe are in the gallery today observing what we're carrying out today in terms of the resolution—understand that we're going through more than just simply a ritual undertaking. I think that perhaps sometimes these resolutions get put into that category in the sense that it appears sometimes that we're going through the motions. But I'm sure you know, Madam Speaker, that one of the advantages of ritual in our society and among our species is that ritual is the great conservator of value. It is a measurement of our sense of ourselves, where we've been, where we're going, and what we have as the basis for the future.

And so, yes, we're commemorating the 100th anniversary today of Pearl Harbor Naval Shipyard, but in doing so, we remind ourselves of its historic legacy and we remind ourselves as well as to what the future may require of us here in the United States. The Pearl Harbor Naval Shipyard stands ready to do its duty. Yes, Madam Speaker, I can tell you Pearl Harbor Naval Shipyard will see that our naval forces are ''fit to fight.''

Madam Speaker, at this time, I have no further requests for time. I am prepared to close after my colleague has yielded back his time. And I will continue to reserve my time pending that happy occasion.

Mr. WITTMAN of Virginia. Madam Speaker, I yield myself such time as I may consume.

I just wanted to thank the gentleman from Hawaii for his kind words. And I know that this Nation looks forward to having our Virginia Class submarines being maintained ''fit to fight'' there at Pearl Harbor Naval Shipyard. So I truly appreciate that.

Ms. HIRONO. Madam Speaker, I rise in support of H. Res. 1139, a resolution that recognizes the men and women of Pearl Harbor Naval Shipyard for their service to our military on the 100th anniversary of its opening.

Established by the United States Navy in 1908, Pearl Harbor Naval Shipyard has a distinguished history of serving our country. Attacked on December 7, 1941, the workers of Pearl Harbor quickly recovered, returning fifteen of eighteen damaged ships to combat within half a year. On June 1, 1942, an extensively damaged USS *Yorktown* arrived in Pearl Harbor needing repairs that would normally take an estimated four months to complete. Shipyard workers performed these repairs in only 72 hours and returned the *Yorktown* to sea, where it played a decisive role in the Battle of Midway, the pivotal naval battle in the Pacific during World War II.

The Pearl Harbor Naval Shipyard currently serves as the home port for seventeen Los Angeles-class submarines and twelve other naval ships. Workers at this shipyard have repaired ships successfully in every war from World War II to the present and are now preparing for the Navy's Virginia-class submarines that are scheduled to begin arriving in 2009. It is time for us to recognize this longstanding commitment to our country and celebrate the tireless contributions of the men and women of Pearl Harbor Naval Shipyard.

I urge my colleagues to support this measure.

Mr. WITTMAN of Virginia. Madam Speaker, I yield back the balance of my time.

Mr. ABERCROMBIE. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Hawaii (Mr. ABERCROMBIE) that the House suspend the rules and agree to the resolution, H. Res. 1139.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Ms. Wanda Evans, one of his secretaries.

MONEY SERVICE BUSINESS ACT OF 2008

Mrs. MALONEY of New York. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4049) to amend section 5318 of title 31, United States Code, to eliminate regulatory burdens imposed on insured depository institutions and money services businesses and enhance the availability of transaction accounts at depository institutions for such business, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4049

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Money Service Business Act of 2008''.

SEC. 2. FINDINGS.

The Congress finds as follows:

(1) Check cashers, money transmitters, and other legally authorized and regulated money transmitting businesses (also designated as money services businesses) provide a wide range of necessary financial services and products to customers from all walks of life, including the under-banked and urban communities.

(2) Those services include domestic and international funds transfers, check cashing, money order and traveler's check sales, and electronic bill payments.

(3) Regulatory guidance issued by, and expectations of, the Federal banking agencies and the Secretary of the Treasury urge insured depository institutions to conduct reviews of money services businesses' anti-money laundering compliance programs, placing such depository institutions in the position of quasi-regulators.

(4) Consequently, many insured depository institutions have refused or closed money services businesses' accounts in order either not to incur the burden, risk or potential liability for undertaking a de facto regulatory function, or else to avoid supervisory sanctions for not exercising such oversight.

(5) This trend endangers the existence of legitimate, regulated money services businesses industry and the ability of such businesses to deliver financial services and products.

(6) Loss of depository institution accounts by money services businesses threatens to drive the customer transactions of such businesses underground through unregulated channels, including bulk cash smuggling or other means.

(7) It is critical to the interests of national security that transparency of money services business transactions be maintained by ensuring such businesses have a reasonable process to demonstrate to insured depository institutions the compliance by such businesses with anti-money laundering and counter-terrorism financing obligations.

(8) Money services businesses are subject to Federal money laundering and terrorist financing control programs and reporting requirements as enforced by State and Federal regulators, including the Secretary of the Treasury, which are authorized to conduct compliance oversight and to impose sanctions through licensing, registration or other powers.

(9) These State and Federal regulators have committed to coordinate their supervision and enforcement of such money services businesses obligations.

(10) Insured depository institutions and Federal banking regulators should be able to rely on a regulatory process for conducting oversight of money services businesses' compliance with subchapter II of chapter 53 of title 31, United States Code, as well as on a process of self-certification by legitimate money services businesses that attest to such compliance.

(11) Accordingly, to eliminate regulatory burden imposed on insured depository institutions and promote access by money services businesses to the banking system and to give full recognition to Federal and State agency authority to supervise and enforce money services businesses' compliance with anti-money laundering and counter-terrorism financing obligations and their implementing regulations, it is appropriate and necessary to provide for the self-certification process established pursuant to this Act.

SEC. 3. SELF-CERTIFICATION PROCESS FOR MONEY SERVICES BUSINESSES ESTABLISHED.

(a) IN GENERAL.—Section 5318(h) of title 31, United States Code, is amended by adding at the end the following new paragraphs:

''(4) MONEY TRANSMITTING BUSINESS ACCOUNTS.—

''(A) IN GENERAL.—A federally insured depository institution that maintains an account for a money transmitting business (as defined in section 5330(d)(1)) shall have no obligation to review the compliance of that business, or any agent thereof, with that business's or agent's obligations under this section, if the institution has on file—

''(i) a certification submitted by the money transmitting business that meets the requirements of paragraph (5)(A); or

''(ii) in the case of an agent of a money transmitting business—

''(I) the certification required under paragraph (5)(B); and

''(II) a certification from the business that the named agent is authorized to act as the principal's agent.

''(B) PENALTIES.—

''(i) CIVIL PENALTIES.—A money transmitting business or an agent of any such business making a material misrepresentation in a certification referred to in subparagraph (A) shall be subject to the civil penalties prescribed under section 5321 without regard to whether such violation was willful.

''(ii) CRIMINAL PENALTIES.— A person who knowingly makes a material misrepresentation in a certification referred to in subparagraph (A) shall be subject to penalties prescribed under section 5322 without regard to whether such violation was willful.

''(C) RULE OF CONSTRUCTION.—No provision of this paragraph shall be construed as requiring any federally insured depository institution to establish, maintain, administer or manage an account for a money transmitting business or an agent of any such business.

''(D) RELIANCE FOR INSURED DEPOSITORY INSTITUTIONS.—A federally insured depository institution shall have no liability under this chapter for the failure of any money transmitting business or an agent of any such business to comply with any provision of this section and regulations prescribed under any such provision.

''(E) FEDERALLY INSURED DEPOSITORY INSTITUTION DEFINED.—The term 'federally insured depository institution' means any insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act) and any insured credit union (as defined in section 101(7) of the Federal Credit Union Act).

''(5) PARAGRAPH (4) CERTIFICATION.—

''(A) MONEY TRANSMITTING BUSINESS.—A certification by a money transmitting business meets the requirement of paragraph (4) if the money transmitting business certifies as follows, to the satisfaction of the Secretary:

''(i) The business is in compliance with paragraph (1) and regulations prescribed by the Secretary under such paragraph.

''(ii) The business maintains an anti-money laundering program covering all of the identified capacities through which the business acts as a money transmitting business that includes the components of the program specified in subparagraphs (A) through (D) of paragraph (1).

''(iii) The business is licensed or registered as a money transmitting business by each State—

''(I) within which the business operates as a money transmitting business; and

''(II) which requires such licensing or registration.

''(iv) The business is registered with the Secretary in accordance with section 5330, and regulations prescribed under such section, and remains in full compliance with such section and regulations.

''(B) AGENTS OF A MONEY TRANSMITTING BUSINESS.—A certification by an agent of a money transmitting business meets the requirement of paragraph (4) if the agent certifies as follows, to the satisfaction of the Secretary:

''(i) The agent is an agent of a money transmitting business that meets the requirements of clauses (i) through (iv) of subparagraph (A).

''(ii) If applicable, the agent appears on the list of agents of the money transmitting business maintained by the business pursuant to section 5330(c)(1).

''(iii) The agent—

''(I) operates as an agent for a money transmitting business pursuant to a written contract;

''(II) will act honestly and in compliance with all applicable laws when conducting any business as an agent for a money transmitting business; and

''(III) will immediately notify any federally insured depository institution to which the certification is submitted of the occurrence of any material change in the relationship of the agent with the money transmitting business, including termination or suspension, or the institution of any criminal or administrative proceeding commenced against the agent.

''(iv) The agent is licensed or registered as a money transmitting business, or as an agent of such business, by any State—

''(I) within which the agent operates as an agent of a money transmitting business; and

''(II) which requires any such licensing or registration.

''(v) The agent is not required to be registered with the Secretary as a money transmitting business pursuant to regulations prescribed by the Secretary under section 5330(c)(2).''.

(b) REGULATIONS.—The Secretary of the Treasury shall prescribe such regulations as the Secretary determines to be appropriate to implement the amendments made by subsection (a), in final form, before the end of the 120-day period beginning on the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from New York (Mrs. MALONEY) and the gentleman from Connecticut (Mr. SHAYS) each will control 20 minutes.

The Chair recognizes the gentlewoman from New York.

GENERAL LEAVE

Mrs. MALONEY of New York. Madam Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on this legislation and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. MALONEY of New York. Madam Speaker, I yield myself as much time as I may consume.

Madam Speaker, H.R. 4049, the Money Service Business Act, is bipartisan legislation that has been cosponsored by the chairman and ranking member of the Financial Services Committee, as well as the ranking member of the Financial Institutions and Consumer Credit Subcommittee, Congresswoman BIGGERT. This bill passed out of the Financial Services Committee on a unanimous vote.

The Money Service Business Act addresses the critical problem of money service businesses, MSBs, being denied access to the banking system. MSBs have experienced blanket terminations of their commercial accounts over the past several years due, in part, to banks responding to unclear guidance from regulators.

This bill establishes a mechanism that would allow MSBs to self-certify their compliance with the Bank Secrecy Act and anti-money laundering requirements, while allowing banks to make risk-based decisions about banking particular MSBs.

MSBs, which include check cashers, money transmitters and money order issuers, have served our Nation's community for years. If this issue is left unaddressed, the viability of MSBs will be compromised, potentially pushing many of these transactions underground and potentially untraceable to law enforcement.

Banks, reacting to regulatory fears, have terminated MSBs accounts in a blanket fashion in an attempt to minimize exposure to ''high risk'' businesses. Without a banking relationship, MSBs are unable to provide financial services to communities, making it difficult for millions of Americans to pay bills, send money, or cash checks.

Federal regulatory agencies, recognizing the problem facing MSBs, have sought to address this issue through agency guidance and regulatory changes, with little effect. This legislation addresses this problem by enabling MSBs to self-certify their compliance with the Bank Secrecy Act and anti-money laundering requirements.

This approach is not novel. It is similar in principle to that used for international correspondent banking. It would not relieve banks of their due diligence responsibilities with regard to their MSB customers, rather, it would permit appropriate reliance on self-certification to relieve banks of being the de facto regulators only of MSBs' Bank Secrecy Act and anti-money laundering compliance.

The mechanics of this self-certification will be handled by regulations set forth by the Secretary of the Treasury, and the certification will be filed with the financial institution where the MSB has a commercial account. To ensure that there is appropriate access to these self-certifications, it has been requested that the Secretary of the Treasury, while promulgating the regulations to implement this legislation, should require a duplicate copy of the self-certification to be filed with the Financial Crimes Enforcement Network, FinCEN, and that the Department of Justice have access to these files. I am fully in support of this suggestion and believe it will allow for even greater transparency in the self-certification process.

I do want to mention that even with the implementation of the self-certification, MSBs would continue to be responsible for complying with all other existing provisions of the Bank Secrecy Act and will continue to be the subject of rigorous on-site examinations by IRS examiners.

MSBs are also State regulated in many jurisdictions. Currently, 28 States and the District of Columbia require MSBs to be licensed and/or regulated by State banking agencies. Both MSBs and the financial institutions banking them will still be required to fully comply with all other aspects of the Bank Secrecy Act, including the filing of Suspicious Activity Reports and Currency Transaction Reports. Any violation of their certification would render the same civil and criminal penalties provided for by the Bank Secrecy Act and the anti-money laundering provisions.

This is a well-crafted bill that allows law enforcement to continue to track the transactions of money service businesses while allowing the MSBs to have access to the banking accounts they need to conduct business.

Finally, I would like to thank Chairman FRANK, Ranking Member BACHUS,

and Financial Institution Subcommittee Ranking Member BIGGERT for their cosponsorship and support in bringing this important bill to the floor today.

I urge my colleagues to support this important legislation.

Madam Speaker, I reserve the balance of my time.

Mr. SHAYS. Madam Speaker, I rise in support of H.R. 4049, the Money Service Business Act of 2007, and ask for its immediate passage. We do need to pass this legislation.

Madam Speaker, this legislation is important and long overdue. Despite expressions of concern by Members of this Congress asking both regulators and financial institutions to ensure fair treatment of money service businesses, or what we refer to as MSBs, financial institutions continue to be uncomfortable offering accounts to MSBs, and, in fact, most banks have discontinued offering such accounts, which is the issue.

Madam Speaker, the banks have good reason to be concerned. MSBs provide a valuable service to consumers, and in some instances are the only financial service providers available to them. But the regulatory regime that ensures that MSBs comply with all applicable laws to prevent the laundering of money or the financing of terror is muddled, to say the least.

After a series of regulatory actions in which banks were fined millions of dollars in connection with the accounts they offered MSBs, most banks felt they had to make a choice, either do their own on-site investigation of an MSB's anti-money laundering program, or live with the liability of not knowing how good or bad that particular program is.

Madam Speaker, banks are not regulators. And we should not expect them to act like regulators for a different industry. No one disagrees that banks and the MSBs should comply with all applicable anti-money laundering guidance; nonetheless, terminating account services to an entire industry could end up forcing its customers into the underground financial service. That in itself creates a significant money laundering risk.

The measure before us, drafted with a great deal of bipartisan cooperation by the gentlelady from New York (Mrs. MALONEY), one of the stars of this institution, and the gentleman from Alabama (Mr. BACHUS), would set up a system in which the Treasury Secretary posts a set of guidelines MSBs would need to meet to satisfy anti-money laundering requirements. When they comply, MSBs would self-certify their compliance to their bank.

This self-certification function is balanced by strict penalties for those MSBs that misrepresent their compliance, and in no way would excuse banks from reporting any suspicious activity under the laws and regulations of the Bank Secrecy Act. But it would relieve banks of the requirement to be the de facto regulator of MSBs, which is not the bank's job or obligation.

In reviewing this bill, the Department of Justice has raised a good point that I would like to emphasize. The bill requires the MSBs to certify, to the satisfaction of the Treasury Secretary, that they are in good compliance, but only requires them to file their certification with their banks. Madam Speaker, I think that among the regulations the Treasury Secretary posts to ensure compliance, the Secretary should require the MSBs to file a duplicate form with the Financial Crimes Enforcement Network at Treasury where it would be studied for compliance and would be available for the DOJ to view as well.

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Madam Speaker, while we are on this subject, I would like to make an additional point. Regulation of MSBs is a complex and not very effective patchwork of effort between the States and the Federal Government. While some States do a terrific job, some really don't. In the future I hope Congress can work to find a good solution to make thorough, uniform, and effective regulation of MSBs a reality. I know they would appreciate it. In the meantime, let's let the banks get back to providing accounts and doing what they do best.

Madam Speaker, this legislation is supported by both the MSBs and the banking industry and would benefit those who work hard and have limited resources. I urge my colleagues to agree to this commonsense solution to the bank discontinuance dilemma.

Ms. JACKSON-LEE of Texas. Madam Speaker, I rise today in strong support of H.R. 4049, the Money Service Business Act. This Act eliminates the regulatory burdens imposed on insured depository institutions and money services business and enhances the availability of transaction accounts at depository institutions for such businesses, and for other purposes. I support this bill and I encourage my colleagues to do likewise.

Check cashers, money transmitters, and other legally authorized and regulated money transmitting businesses (also designated as money services businesses) provide a wide range of necessary financial services and products to customers from all walks of life, including the under-banked and urban communities. Those services include domestic and international funds transfers, check cashing, money order and traveler's checks sales, and electronic bill payments.

Regulatory guidance issued by, and expectations of, the Federal banking agencies and the Secretary of Treasury urge insured depository institutions to conduct reviews of money services businesses' anti-money laundering compliance programs, placing such depository institutions in the position of quasi-regulators. Consequently, many insured depository institutions have refused or closed money services businesses' accounts in order either not to incur the burden, risk or potential liability for undertaking a de facto regulatory function, or else to avoid supervisory sanctions for not exercising such oversight. This trend endangers the existence of legitimate, regulated money services businesses industry and the ability of such businesses to deliver financial services and products. Loss of depository institutions accounts by money services businesses threatens to drive the customer transactions of such businesses underground through unregulated channels, including bulk cash smuggling or other means.

It is critical to the interests of national security that transparency of money services business transactions be maintained by ensuring such businesses have a reasonable process to demonstrate to insured depository institutions the compliance by such businesses with anti-money laundering and counter-terrorism financing obligations. Money services businesses are subject to Federal money laundering and terrorist financing control programs and reporting requirements as enforced by State and Federal regulators. These entities are authorized to conduct compliance oversight and to impose sanctions through licensing, registration or other powers.

These State and Federal regulators have committed to coordinate their supervision and enforcement of such money services business obligations.

Insured depository institutions and Federal banking regulators should be able to rely upon a regulatory process for conducting oversight of money services businesses' compliance. Accordingly, to eliminate regulatory burden imposed upon insured depository institutions and promote access by money services businesses to the banking system and to give full recognition to Federal and State agency authority to supervise and enforce money services businesses' compliance with anti-money laundering and counter-terrorism financing obligations and their implementing regulations, it is appropriate and necessary to provide for self-certification process established pursuant to this Act.

I support this Act and encourage my colleagues to support it also.

Mr. SHAYS. Madam Speaker, I yield back the balance of my time and will yell a hearty ''yea'' when asked for those who support this bill.

Mrs. MALONEY of New York. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from New York (Mrs. MALONEY) that the House suspend the rules and pass the bill, H.R. 4049, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

RECOGNIZING THE SIGNIFICANCE OF NATIONAL CARIBBEAN-AMERICAN HERITAGE MONTH

Mr. HIGGINS. Madam Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 364) Recognizing the Significance of National Caribbean-American Heritage Month.

The Clerk read the title of the concurrent resolution.